

Gulf of Mexico Region BP Exploration & Production Inc.

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Sent Via Email

Fieldwood Energy Attention: Nathan Vaughn 2000 W. Sam Houston Pkwy S., Suite 1200 Houston, Texas 77042

Re: BP's Initial Response to Fieldwood Energy's Sole Benefit Operation and AFE Operation Letter

Dear Mr. Vaughn,

BP Exploration & Production Inc. ("BP") is in receipt of Fieldwood Energy's ("Fieldwood") letter dated December 24, 2020 regarding its proposal for a Sole Benefit Operation and AFE Operation (the "Fieldwood Letter"). Capitalized terms referenced herein shall have the same meaning as those defined within the Fieldwood Letter.

As Fieldwood is aware, BP has conducted a bolt tightening operation on the Galapagos LSPS as per BP's AFE No. NKO393390 dated December 10, 2020. BP anticipates sharing the results at the forthcoming LSPS co-owners meeting on January 14th.

Additionally, please be advised, that in parallel with progressing the bolt tightening operation, BP is conducting feasibility work on the temporary single flowline plan and BP is reviewing the operations proposed within the Fieldwood Letter. Once these reviews are concluded BP will provide a more detailed response to the Fieldwood Letter.

As BP stated in the meeting on December 17th, operations for a single flowline are under assessment, but no operation for the same will be conducted during the month of January. If the bolt tightening operations fail, then due to the lease expiry concerns raised by Fieldwood and the likelihood that any operations for the single flowline plan (if approved) may not be conducted until after the lease expiry date, BP hereby informs Fieldwood, in its capacity as MC519 Operator, that it should initiate other activities, including conversations with the appropriate regulatory agency to perpetuate the term of the OCS-G 27278 Lease.

We look forward to meeting with you at the planned LSPS Co-Owner meeting scheduled for January 14th.

Thank you,

Danielle Scott Land Manager Danielle.Scott@bp.com

Danielle Scott

Confidential

